



**Low-Income Weatherization Assistance Program Public Hearing
Springfield, MO
April 4, 2008**

Summary

Attendees: Marcy Oerly, DNR/Energy Center
Joe Gassner, DNR/Energy Center
Todd Steinmann, Ozarks Area Community Action Corp.
Randy Martin, Economic Security Corp.
Melinda Smith, Missouri Ozarks Community Action
Terry Sanders, Ozark Action, Inc.
Kay Johannpeter, DNR/Energy Center

The public hearing commenced at 10:00 a.m. at the Springfield Conservation Nature Center located in Springfield, MO.

Mr. Gassner opened the hearing and welcomed the attendees. Ms. Oerly began by reading a Statement for the Record. The statement is attached in its entirety.

A copy of Mr. Steinmann's comments is attached. During discussion of the proposed five percent landlord contribution, Mr. Steinmann explained his agency's policy of waiving the required landlord contribution if the landlord has also been verified as low income. He would like the Energy Center to also consider this type of waiver for low income landlords. Mr. Steinmann also commented about the use of space heaters. Space heaters are no longer required to be removed from the home. His agency simply disconnects them. After the work is completed, if the homeowner reconnects the space heater, problems with mold could develop due to the tightness of the home.

A copy of Mr. Sanders' comments is attached. He also commented that if landlords will be required to contribute 5 percent, "5 percent of what" needs to be defined. Does that only include materials/labor or does it include overhead costs and is it based on estimated cost or real cost? Currently his agency bills the landlord for 35 percent of the total estimated cost, then after the work is completed, reimburses the landlord back to a 25 percent contribution, regardless of how high the cost actually is.

Ms. Smith spoke on behalf of David Miller, Executive Director of Missouri Ozarks Community Action. A copy of Mr. Miller's comments is attached.

Mr. Martin requested clarification on whether the agencies will begin phasing in the use of the Mobile Home Energy Audit (MHEA) on July 1, 2008, or they must begin fully using the tool on July 1. Ms. Oerly stated that it will be mandatory for all agencies to begin using MHEA on July 1.

Mr. Martin commented that the old policy stated that agencies should pursue a landlord contribution only to the extent that it endangers the possibility of a client receiving services. The work is being done on property owned by the landlord, but it is the client who is paying the utility bill. If a client is having to go without buying groceries or some other necessity in order to pay their utility bills, the new policy seems to discourage getting those clients service, in the event a landlord refuses to contribute. If the tenant is low-income and the landlord refuses to contribute, it is the client who is getting hurt. The landlord is actually benefiting from the work to be done, but we are representing the client, not the landlord. Some allowance should be given to allow the work to be done anyway, even if the landlord refuses to contribute. If a landlord can prove that they are, themselves, low income, an allowance should be made for that. However, if a landlord has multiple rental properties, they certainly should not get the service for free.

If a landlord is determined to not be low-income and also refuses to contribute, however, the tenants are experiencing high utility bills, an obligation exists to help them. Perhaps the level of the energy burden in the unit and whether the unit has children in it should be a consideration even if the landlord refuses to contribute.

Mr. Martin addressed the issue of space heaters also. His agency disconnects the space heaters, takes a picture of it disconnected, and requires the homeowner to sign a statement stating that if they reconnect the heater, it will result in a health hazard to the occupants.

Mr. Gassner stated that the landlord contribution issue is a difficult issue to resolve. It was discussed in depth with the Policy Advisory Council. There is no easy answer. Upper management within DNR have had discussions with state legislators who are saying that landlords are receiving this free benefit and what is the incentive if you don't make them contribute. He stated there currently exists a large discrepancy among the agencies on what they require as a landlord contribution.

Mr. Gassner indicated that it would be less of an administrative burden to base the contribution on estimated costs in order to collect the money upfront. If it is based on actual cost, and the landlord is billed after the work is complete, what assurance is there that the contribution will be made at that point?

Mr. Gassner thanked everyone for their comments. The hearing was officially closed.